



COUNCILMEMBER DONNA FRYE

City of San Diego
Sixth District

MEMORANDUM

DATE: August 31, 2005

TO: Michael Aguirre, City Attorney
P. Lamont Ewell, City Manager
SDCERS Board of Trustees

FROM: Councilmember Donna Frye

SUBJECT: City Pension Investigation

I am providing to you a list of questions regarding the ongoing investigations into the city's pension system. The responses to the questions below will help provide a better understanding of the relationships between the myriad consultants and companies that have been hired by both the city and the San Diego City Employees Retirement System (SDCERS). I would appreciate a timely response.

1. Does Marsh McLennan own Mercer?
2. Does Marsh McLennan own Kroll?
3. Has the City of San Diego purchased any insurance products from Marsh McLennan in the past 10 years?
4. Did SDCERS hire Mercer in 2004 to do an audit of the retirement system?
5. Did SDCERS hire Mercer to provide strategic workshops, and did SDCERS hire Mercer (and Bob Blum as an employee of Mercer) to provide tax advice, among other things, from approximately 1992 to 2001?
6. Did SDCERS recently sue Bob Blum for malpractice? If so when, and what is the status of that litigation?
7. Did Kroll sell Kroll Lindquist Avey to Navigant Consulting on August 10, 2005?
8. What is the relationship, if any, between Marsh McClennan and Navigant?
9. Did SDCERS recently hire Navigant Consulting in August 2005 to perform an investigation of the pension?
10. What is the name of the outside law firm that the City Manager is considering hiring to work with the SEC?

Thank you for your attention to this matter. Your timely response is greatly appreciated.

cc: Honorable Deputy Mayor and City Councilmembers

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